

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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|--|--|
| WELL API NO.                                       | 30-015-27759   |
| 5. Indicate Type of Lease                          | STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No.                       |  |
| 7. Lease Name or Unit Agreement Name               | Sara AHA   |
| 8. Well No.  | 9  |
| 9. Pool name or Wildcat                            | Dagger Draw Upper Penn, South  |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) | 3657' GR   |

|  |  |
|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) |  |
| 1. Type of Well:<br>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>  |  |
| 2. Name of Operator<br>YATES PETROLEUM CORPORATION   |  |
| 3. Address of Operator<br>105 South 4th St., Artesia, NM 88210   |  |
| 4. Well Location<br>Unit Letter J : 1980 Feet From The South 1980 Feet From The East Line  |  |
| Section 15 Township 20S Range 24E NMPM Eddy County   |  |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.)<br>3657' GR   |  |

|   |   |
|---|---|
| 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data |   |
| NOTICE OF INTENTION TO:   | SUBSEQUENT REPORT OF:   |
| PERFORM REMEDIAL WORK <input type="checkbox"/>                                | REMEDIAL WORK <input type="checkbox"/>  |
| TEMPORARILY ABANDON <input type="checkbox"/>                                  | ALTERING CASING <input type="checkbox"/>  |
| PULL OR ALTER CASING <input type="checkbox"/>                                 | COMMENCE DRILLING OPNS. <input type="checkbox"/>                                |
| OTHER: <input type="checkbox"/>   | PLUG AND ABANDONMENT <input type="checkbox"/>                                   |
|   | CASING TEST AND CEMENT JOB <input type="checkbox"/>                             |
|   | OTHER: Add perforations in Canyon & acidize <input checked="" type="checkbox"/> |

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

12-3-97 - Moved in and rigged up pulling unit. Bled well down. Pumped 50 bbls 2% KCL down casing. Nippled up hydril BOP. TOOH with sub pump. TIH with RBP with ball catcher. Set RBP at 7685'. Loaded hole & tested RBP to 1500 psi. Loaded annulus and tested to 500 psi. Released packer.

12-4-97 - Displaced hole. Spotted 12 bbls 20% double inhibited iron control HCL acid at 7675'. TOOH with tubing. Rigged up wireline. TIH with 4" casing guns and perforated 7593-7652' w/17 .42" holes (Canyon). TOOH with guns & rigged down wireline. TIH with packer to 7549' and set packer. Loaded annulus and pressured to 500 psi. 230 bbls to load annulus. Swabbing.

12-5-97 - Swabbed. Acidized perforations 7593-7652' with 20000 gallons 20% gelled iron control HCL acid. Swabbing.

12-6-8-97 - Loaded tubing. Released packer and RBP. TOOH. Released well to production.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Rusty Klein TITLE Operations Technician DATE Jan. 8, 1998  
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY [Signature] TITLE [Signature]

CONDITIONS OF APPROVAL, IF ANY:

DATE JAN 15 1998